

WHITE & CASE LLP

David M. Turetsky
Samuel P. Hershey
1221 Avenue of the Americas
New York, New York 10020
Telephone: (212) 819-8200
Facsimile: (212) 354-8113
Email: david.turetsky@whitecase.com
sam.hershey@whitecase.com

and –

WHITE & CASE LLP

Michael C. Andolina (admitted *pro hac vice*)
Gregory F. Pesce (admitted *pro hac vice*)
111 South Wacker Drive, Suite 5100
Chicago, Illinois 60606
Telephone: (312) 881-5400
Facsimile: (312) 881-5450
Email: mandolina@whitecase.com
gregory.pesce@whitecase.com

Counsel to the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

WHITE & CASE LLP

Keith H. Wofford
Southeast Financial Center
200 South Biscayne Blvd., Suite 4900
Miami, Florida 33131
Telephone: (305) 371-2700
Facsimile: (305) 358-5744
Email: kwofford@whitecase.com

– and –

WHITE & CASE LLP

Aaron E. Colodny (admitted *pro hac vice*)
555 South Flower Street, Suite 2700
Los Angeles, California 90071
Telephone: (213) 620-7700
Facsimile: (213) 452-2329
Email: aaron.colodny@whitecase.com

Chapter 11

Case No. 22-10964 (MG)

(Jointly Administered)

**NOTICE OF STATUS CONFERENCE REGARDING BAR DATE AND CLASS
CERTIFICATION MOTION**

PLEASE TAKE NOTICE that the initial general claims bar date in these cases occurred on February 9, 2023. *See* [Dkt. No. 1846]. On March 3, 2023, the Court issued its *Memorandum Opinion Regarding Which Debtor Entities Have Liability for Customer Claims Under the Terms*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

of Use and held that “only [Celsius Network LLC], and not any other Debtor or non-Debtor affiliates, are liable to Customers *on contract claims* under the terms of use.” [Dkt No. 2205] (the “**Customer Claims Opinion**”) at 4 (emphasis in original). The Court further found that “the terms of use do not limit Customers (or the Committee) from asserting non-contract claims against CNL, or against other Debtor or non-Debtor affiliates, such as claims for fraud, negligent misrepresentation, or other statutory or common law claims.” *Id.*

PLEASE TAKE FURTHER NOTICE that the Debtors subsequently amended their schedules of assets of liabilities and statements of financial affairs (the “**Schedules and Statements**”) to reflect the Court’s ruling in the Customer Claims Opinion and extended the general claims bar date to April 28, 2023 for any claim affected by the amendment of the Schedules and Statements. *See* [Dkt. No. 2310].

PLEASE TAKE FURTHER NOTICE that on April 10, 2023, the Committee filed the *Motion of the Official Committee of Unsecured Creditors (I) For Authority to File a Class Claim Asserting Non-Contract Claims on Behalf of Account Holders or (II) to Appoint a Third-Party Fiduciary to Assert a Class Claim on Behalf of Account Holders* [Dkt. No. 2399] (the “**Class Claim Motion**”), seeking to file a class action proof of claim or other representative action against Celsius Network Limited (“CNL”) and other Debtor entities for non-contract claims—such as fraud, negligent misrepresentation, or other statutory or common law claims—on behalf of all account holders.

PLEASE TAKE FURTHER NOTICE that on April 18, 2023, the Court entered an order authorizing the Committee to file the class proof of claim and to seek certification of the class of all account holders under Bankruptcy Rule 7023. [Dkt. No. 2496] (the “**Class Claim Order**”). The Class Claim Order provided that “the bar date for claims set forth in the *Notice of Amended*

Bar Date for Submission of Proofs of Claim . . . is tolled pending an order of the Court with respect to certification of the putative class under Bankruptcy Rule 7023.”

PLEASE TAKE FURTHER NOTICE that on April 29, 2023, the Committee filed Proof of Claim No. 29068 on the Debtors’ claim register (the “**Class Claim**”) [Dkt. No. 2556].

PLEASE TAKE FURTHER NOTICE that on May 17, 2023, the Committee filed the *Motion of the Official Committee of Unsecured Creditors to (I) Certify the Class of Account Holders Asserting Non-Contract Claims Against the Debtors, (II) Appoint Thomas DiFiore, Rebecca Gallagher, and Ignat Tuganov as the Class Representatives, and (III) Appoint White & Case LLP as Class Counsel, in Each Case Pursuant to Bankruptcy Rule 7023* [Dkt. No. 2670] (the “**Class Certification Motion**”).

PLEASE TAKE FURTHER NOTICE that on May 17, 2023, the Bankruptcy Court entered the *Order Establishing Schedule for Litigation of the Motion of the Official Committee of Unsecured Creditors to (I) Certify the Class of Account Holders Asserting Non-Contract Claims Against the Debtors, (II) Appoint Thomas DiFiore, Rebecca Gallagher, and Ignat Tuganov as the Class Representatives, and (III) Appoint White & Case LLP as Class Counsel, in Each Case Pursuant to Bankruptcy Rule 7023* [Dkt. No. 2795] (the “**Class Certification Scheduling Order**”).

PLEASE TAKE FURTHER NOTICE that on June 27, 2023, the Debtors, the Committee, Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, and CDP Investissements Inc. (together with Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, the “**Series B Parties**”) filed the *Joint Motion for Entry of an Order (I) Approving the Settlement By and Among the Debtors, the Committee, and the Initial Consenting Series B Preferred Holders and (II) Granting Related Relief*

[Dkt No. 2899] (the “**Settlement Motion**”). The Settlement Motion is scheduled to be heard at the July 18, 2023 omnibus hearing in these Chapter 11 Cases.

PLEASE TAKE FURTHER NOTICE that on July 5, 2023, the Court entered the *Stipulation and Agreed Order Between the Official Committee of Unsecured Creditors, the Initial Consenting Series B Preferred Holders, and the Debtors Regarding the Litigation Stay* [Dkt. No. 2960] (the “**Litigation Stay Stipulation**”). Among other things, the Litigation Stay Stipulation provided that the deadlines with respect to the litigation schedule established under the Class Certification Scheduling Order were adjourned *sine die*.

PLEASE TAKE FURTHER NOTICE that the Debtors received 24,859 proofs of claim asserting over \$78.2 billion in unsecured claims by the initial general claims bar date. In addition, the Debtors received 81 Proofs of Claim by Governmental Units totalling approximately \$77 billion by the Governmental Bar Date. The Committee and the Debtors believe that the claims bar date should be closed prior to the solicitation of the *Joint Plan of Reorganization of Celsius Network LLC and Its Debtor Affiliates* [Dkt. No. 2807]. Moreover, unless a substantial amount of disputed filed claims are resolved prior to the Effective Date of the Plan, the Debtors or Distribution Agent will be required to hold back a significant amount of the cryptocurrency, equity, and other consideration that could otherwise be distributed to creditors under the Plan until disputed claims are resolved.

PLEASE TAKE FURTHER NOTICE that by agreement of the Debtors, the Committee, the Series B Parties, and the Office of the United States Trustee, and with the consent of the Court, the Debtors and the Committee intend to provide the Court with an update on how they intend to proceed with the closing of the general claims bar date and the Class Certification Motion at the hearing on **July 18, 2023 at 10:00 a.m. (prevailing Eastern Time)** (the “**Hearing**”).

PLEASE TAKE FURTHER NOTICE that the Hearing will take place in a hybrid fashion both in person and via Zoom for Government. Those wishing to participate in the Hearing in person may appear before the Honorable Martin Glenn, Chief United States Bankruptcy Judge in the United States Bankruptcy Court for the Southern District of New York, in Courtroom No. 523, located at One Bowling Green, New York, New York 10004-1408. For those wishing to participate remotely, in accordance with General Order M-543 dated March 20, 2020, the Hearing will be conducted remotely using Zoom for Government. Parties wishing to appear at or listen to the Hearing, whether (a) an attorney or non-attorney, (b) appearing in person or remotely, or (c) making a “live” or “listen only” appearance before the Court, need to make an electronic appearance (an “eCourtAppearance”) through the Court’s website at <https://ecf.nysb.uscourts.gov/cgi-bin/nysbAppearances.pl>. When making an eCourtAppearance, parties must specify whether they will appear at the Hearing remotely or in person and, and if appearing remotely, whether they are making a “live” or “listen only” appearance. Electronic appearances (eCourtAppearances) need to be made by 4:00 p.m., prevailing Eastern Time, the business day before the Hearing (i.e., on Monday, July 17, 2023).

PLEASE TAKE FURTHER NOTICE that due to the large number of expected participants in the Hearing and the Court’s security requirements for participating in a Zoom for Government audio and video hearing, all persons seeking to attend the Hearing remotely at 10:00 a.m., prevailing Eastern Time on July 18, 2023 must connect to the Hearing beginning at 9:00 a.m., prevailing Eastern Time on July 18, 2023. When parties sign in to Zoom for Government and add their names, they must type in the first and last name that will be used to identify them at the Hearing. Parties that type in only their first name, a nickname, or initials will not be admitted into the Hearing. When seeking to connect for either audio or video participation in a Zoom for

Government Hearing, you will first enter a “Waiting Room” in the order in which you seek to connect. Court personnel will admit each person to the July Omnibus Hearing from the Waiting Room after confirming the person’s name (and telephone number, if a telephone is used to connect) with their eCourtAppearance. Because of the large number of expected participants, you may experience a delay in the Waiting Room before you are admitted to the Hearing.

[Remainder of page intentionally left blank]

Dated: July 17, 2023
New York, New York

Respectfully submitted,

/s/ Aaron Colodny

WHITE & CASE LLP

David M. Turetsky
Samuel P. Hershey
1221 Avenue of the Americas
New York, New York 10020
Telephone: (212) 819-8200
Facsimile: (212) 354-8113
Email: david.turetsky@whitecase.com
sam.hershey@whitecase.com

– and –

WHITE & CASE LLP

Michael C. Andolina (admitted *pro hac vice*)
Gregory F. Pesce (admitted *pro hac vice*)
111 South Wacker Drive, Suite 5100
Chicago, Illinois 60606
Telephone: (312) 881-5400
Facsimile: (312) 881-5450
Email: mandolina@whitecase.com
gregory.pesce@whitecase.com

– and –

WHITE & CASE LLP

Keith H. Wofford
Southeast Financial Center
200 South Biscayne Blvd., Suite 4900
Miami, Florida 33131
Telephone: (305) 371-2700
Facsimile: (305) 358-5744
Email: kwofford@whitecase.com

– and –

WHITE & CASE LLP

Aaron E. Colodny (admitted *pro hac vice*)
555 South Flower Street, Suite 2700
Los Angeles, California 90071
Telephone: (213) 620-7700
Facsimile: (213) 452-2329
Email: aaron.colodny@whitecase.com

*Counsel to the Official Committee of
Unsecured Creditors*